

Andrew Turner MP
House of Commons
London
SW1A 0AA

4 June 2013

Dear Mr Turner,

Thank you for your letter dated 8 April 2013. Regrettably the purdah period for the recent local elections has restricted our ability to reply in any particular detail before now, so I am now responding as fully as I can whilst maintaining the necessary level of confidentiality in relation to aspects of commercial sensitivity for our company.

Given your long-standing involvement in local and national politics (including in Whitehall, I understand), I am sure you will appreciate that whilst private companies such as ours will always aim to be as transparent as possible, the principle route for our accountability in this context is through the formal monitoring of public sector contracts, which in this case is with the Isle of Wight Council (IWC). Whilst recognising that a number of your constituents have strong concerns about the proposed asphalt plant, we are also aware that a good number of other constituents are in support. Whilst it may only be those residents opposed to the proposed plant who have contacted you directly, we hope that you will seek to take a balanced and open-minded approach to the issues associated with these plans, thereby reflecting a broader range of views held by Island residents.

It is therefore regrettable that in the final sentence of your letter dated 8 April, you refer to this site as being an unsuitable location for an asphalt plant, reaffirming the view of “highly inappropriate” as you expressed in your earlier letter. This suggests that you have already made up your mind on this proposal (presumably based on the representations you have received from only some of your constituents), although we have not seen this expressed in a formal planning objection. You also state that those constituents of yours who are concerned about these issues would like all dealings on these matters to be open and subject to public scrutiny. In the context of what I have outlined above, I can confirm that not only has IWC’s decision to award the Highways PFI contract been subject to considerable scrutiny over the past year, we fully expect the decision on our current planning application to be subject to formal consideration by a future meeting of IWC’s Planning Committee, which will publicly consider a detailed report published online (to the wider public) in advance of the meeting. Whereas another application for an asphalt plant has been signed off under delegated powers, we fully expect ours to be subject to the full scrutiny of the Planning Committee – just like our recent application for a permit was subject to a similar spotlight by a meeting of the Regulatory Committee, and will do so again in future.

We hope that this fulfils the desire expressed to see the dealings on these matters being dealt with openly and subject to public scrutiny. To contribute to this objective, I am copying this letter to the

local media and would ask you to forward it to those other outlets who received a copy of your earlier letter and subsequent press statements.

I will now turn to address the 11 points raised in your letter dated 7 March 2013.

Point 1: “Are you able to deliver your contractual obligations under the Isle of Wight PFI without a new asphalt plant located on the Island?”

As you will be aware, the Government has awarded the Isle of Wight Council an additional £480m of grant funding, on top of funding it will receive within its ordinary grant settlement. The core investment period for the PFI will be from Q2 2013 till Q1 2019 and in particular on road and footway reconstruction. Whilst we have various temporary contingency arrangements for the supply of asphalt and other construction materials to the PFI in the early stages of the project, we are firmly of the view that we need a local high performance asphalt manufacturing facility and as such are committed to continue with the planning application.

We have always maintained throughout the bidding phases that our preferred solution is to build an asphalt plant that is under our direct operational control to ensure that we can achieve the strict quality and service commitments of the Isle of Wight Highways PFI.

We have repeatedly stated that contingency plans are being pursued but that they are commercially confidential. As a result, in line with what I outlined above, we are not prepared to reveal specific details as I am sure you will appreciate and understand.

When the Council states that there is no requirement for a new local asphalt plant to supply the PFI contract, they are correct. There is no explicit requirement within the PFI contract to provide such a plant here on the Island, as it is clearly for us to determine how best to meet our contractual obligation to provide high performance asphalt. However we have reached the view, as we did throughout the bidding stage, that it is our preferred solution to build an Island-based asphalt plant under our direct operational control.

What I can advise you is that the Council has been aware of our plans for a local asphalt plant, on brownfield development land prescribed for industrial use, throughout the bid process.

Therefore I do not agree with your assertion that the positions articulated by Eurovia and the Isle of Wight Council are contradictory. Quite the contrary, our positions complement each other by setting out the respective positions of both parties and the appropriate separation of responsibilities, particularly given our interface with the Isle of Wight Council as a Planning Authority.

As you will be aware, our planning application was submitted to the Isle of Wight Council on 1 April 2012 and registered on 16 April 2012. This timescale had been recommended with a view to gaining necessary approvals in 2012 and installation in early 2013. Clearly the process has taken longer than we anticipated and advised, but we appreciate that the Planning Authority has wished to be thorough in their examination of the complexity of the issues raised. There was a hiatus when the Secretary of State ruled there was not a requirement for an Environmental Impact Assessment and the Isle of Wight Planning Authority could deal with the submission under their normal powers. We

are now hopeful that a decision can be made in the next couple of months, thereby allowing some certainty to be brought to these matters.

Point 2: “Can you confirm, should planning permission be granted and any new jobs created, that you would actively look to recruit existing Island residents – training them if necessary?”

We have always stated that the plant would provide local employment opportunities and we will endeavour to actively recruit locally where possible.

However, as you can appreciate, until we find ourselves in a position where we can actually advertise posts and recruit, we cannot possibly know who, if anyone locally, will apply and whether they will have the skills and experience required. I can confirm we do have number of Island-based haulage companies supporting our logistics for the current works on the Highways PFI, and the headquarters for the IWC and Island Roads personnel on Daish Way was built by an Island firm. Given our track record thus far in this respect, I hope you will recognise that we will continue to expand employment opportunities for Island residents (using locally based firms) wherever possible.

On your point about job losses at the existing asphalt plant, I am sure you are aware that the owners of Bardon Vectis, Aggregate Industries, have made it clear they will still proceed with the replacement of their existing asphalt plant irrespective of our new plant, as per their recently granted planning permission. On that basis, the employment at our plant would be in addition to those currently employed by Bardon Vectis. Given that the vast scale of the work being undertaken through the PFI (and therefore leading to the amount of asphalt needed) was previously not in place, we can only anticipate that there will be an overall net gain in the number of Island-based jobs in the asphalt industry as a result of our plant being built.

Point 3: Concern GKN had not been contacted about proposals and notice about public consultation

As you are aware, we met GKN on 28 September 2012 and followed this up on various occasions with regular contact with them to try and resolve their concerns. We remain committed to discussing any concerns they may have and would wish to work co-operatively with them and other locally-based businesses if the asphalt plant was built.

We have held several open consultation meetings which were advertised in the local media. If you maintain that you did not have enough notice about the public meetings taking place on 28-29 September 2012, I can only apologise, although I am pleased to hear that a member of your staff was able to attend.

We have no records of you contacting Eurovia Roadstone at any time and I can only apologise if this was the case. As per my previous letter, I am more than happy to arrange a face-to-face meeting to discuss any concerns you have.

Point 4: No information event organised until after public consultation period ended

Our first public consultation actually took place on 7 August 2012 in Cowes, well before the public consultation period had ended. We agree that it would have been ideal to hold all other meetings before the public consultation period ended, but when residents began to voice their concerns we

immediately spoke to the council and were advised that any late submissions would be taken into account, which is fairly standard practice in local authorities. This was very clearly communicated at the time, and I am sure that IWC would still continue to receive late submissions even at this stage.

Point 5: Paper presentation stating no toxins are involved

We have never denied that the sheet you refer to contained a statement which read 'there are no toxic emissions from the asphalt plant'. However, in discussions at the meeting we appreciated that this could be interpreted as somewhat misleading so the statement has been replaced with the following: “emissions from the asphalt plant are at a sufficiently low level so as not cause harm to human health or the environment” and that “we will have to continually monitor the performance of the plant against very strict legislative requirements”.

It is true that Julia Hill did list many toxins she believed were involved in the process, but we clarified that these relate to the burning of oil and are not applicable to our proposed asphalt plant where we will use natural gas, the cleanest fuel available.

Point 6: Widespread concerns

We do not accept that we expressly stated that no asbestos has been found on this brown field redevelopment site. Our preliminary site investigation was undertaken to support our planning application and it did not find any evidence of asbestos. However, we were always aware that we would be required to commission a more detailed site investigation which was likely to reveal asbestos, due to the site being an old landfill site. The more detailed site investigation was completed in December 2012, following consultation with the Environment Agency, Isle of Wight Council and as a result of the new National Planning Policy Framework and the results have since been published.

For your information, the following is the statement we issued to the local media following the publication of the report: *“It is not unusual to find materials such as asbestos on old landfill sites and the extensive site investigations which we have now completed confirm the presence of small quantities of asbestos in the upper layers and on the surface. We have vast experience dealing with materials such as asbestos and not only comply with all legislation, but also apply construction and industry best practice at all times. Our plan is to improve the current situation for all, including local residents, the environment and the wildlife at this brownfield development site by covering the area with an impervious hard surface. In addition, the bunds around the site will be constructed from imported materials so as not to disturb the landfill materials.”*

Furthermore, it is worth stressing that many former such brownfield sites which are found on examination to contain asbestos have subsequently been managed effectively and gone on to be perfectly safe for future industrial or residential use. In many respects the discovery of asbestos is helpful as it means that we can now address this concern fully, and reassure all concerned.

The concerns with respect to borehole location were raised by a local resident. We confirmed to the Isle of Wight Council on 22 January 2013 that all boreholes had been progressed through the waste mass.

Point 7: State-of-the-art equipment

We are unsure where your 'understanding' that we would be using second hand equipment in excess of 20 years old has come from, but we have always clearly stated that the plant will indeed be 'state-of-the-art' using the latest technology that will comply with all emission limits. We would appreciate if you can advise where these erroneous statements and comments have come from?

Point 8: Mobile permits

To be very clear, the issue you refer to relates to the permits to operate a mobile "Foambase" cold mix recycling plant with a mobile crusher for secondary use aggregate and base materials and not to the planning application for the installation of the main asphalt plant for the production of high performance hot mix asphalt for the Highways PFI.

Due to the very nature of Foambase plants and crushers being mobile, it is normal for an operating permit to be issued specifically to each piece of mobile equipment by one authority and for that plant to operate at other locations around the country. This is acknowledged in legislation and guidance and requires the operator to comply with all legislation wherever it is being operated.

The planning application is a separate issue and our application for Medina Wharf includes for the static asphalt plant as well as a mobile Foambase plant and mobile crusher. We trust this clarifies any misunderstanding here.

Point 9: Refusal to engage positively with local media

We are somewhat surprised by this comment as we have sought to work extremely closely with the media on the Isle of Wight for some considerable time now and are fully committed to continuing to do so. I am sure that local media fully understand that we are not able to advise them on matters which are of a commercially confidential nature, and I hope that you would join them in respecting this aspect.

Point 10: Financial Penalties

We can confirm that the cost implications in relation to the temporary asphalt supply are being met by our Group, and not by taxpayers. We have an obligation to supply asphalt to fulfil the requirements of the PFI contract and will continue to do so, although clearly our preferred solution is to provide this from a dedicated Island-based asphalt plant geared for high performance products required for the Highways PFI Contract.

Point 11: Relationship with the WRAP group

We have to refute the allegations from the WRAP group. We believe that we have been open and have engaged in an appropriate manner with all interested parties. As I refer to at the start of this letter, we were restricted at what we could do during the purdah period for the local elections, but are now committed to being fully engaged along the lines I have set out. We will continue to treat any commercially sensitive matters as confidential, but other than that will endeavour to answer all questions in an open, honest and transparent way.

I trust that this response is considered helpful and addresses the points you raised as comprehensively as possible. I sincerely hope that you will be prepared to consider the merits of this proposal with an open mind, given the benefits it is likely to bring to the Island you represent.

In summary, we are confident that the site we have selected is entirely suitable and most appropriate for this asphalt plant, particularly as it is a brownfield site prescribed by Isle of Wight Council for future industrial use. We hope that the Planning Authority will reach the view that the concerns raised can be sufficiently addressed through a number of conditions and our commitment to adhere to the regulations which relate to the use of such facilities. Eurovia has many years of experience in operating asphalt plants of this nature whilst at the same time ensuring that any impact on the local community is mitigated and minimised.

As we have previously indicated, it is our intention to establish an Advisory Group, made up of residents and businesses, to ensure that issues of emissions, noise, dust and transport are carefully monitored. We are more than prepared to be held accountable for our commitments in this respect. I have enclosed with this letter a copy of the advert we placed in the County Press last autumn which expanded on these points and I hope you will share this with your constituents.

We also hope that our plant will contribute to the long-term regeneration of the Medina Valley, and Medina Wharf in particular, in line with the vision set out in the Island Plan Core Strategy. We recognise that our proposed use of Medina Wharf will help secure its future viability, which undoubtedly is to be welcomed. Furthermore, our proposed use of this brownfield site, which is in an employment regeneration area zoned for industrial use, gives this former landfill location a worthwhile future. Given your own past comments urging the use of brownfield sites, I hope you will recognise that our ambitions in this respect closely accord with your view.

If you still require further clarification on any of the above points, please do not hesitate to contact me.

Yours sincerely,

Scott Wardrop
Managing Director
Eurovia Group Limited

cc: Isle of Wight Planning Department
Isle of Wight County Press: editor@iwcp.co.uk
Isle of Wight Radio: news@iwradio.co.uk
On The Wight: newsdesk@onthewight.com

| Enclosed: Copy of the advert placed in the County Press

|